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Models for Protecting Our Heritage: Alternatives for the Preservation of Public or Non-profit Owned Historic Resources

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Introduction

The preservation and interpretation of cultural resources is considered to be the major reason for maintaining historic sites and structures. In the past 60 years, significant historic property has been recognized to include not only national monuments, but also local or regionally important sites. As a result of this growing awareness, the protection of historic property has become an issue for many public agencies and community based non-profit organizations. Currently these groups face a dilemma: they are expected to protect and preserve historic properties with limited resources, even if the properties fall beyond the parameters of their chartered mission.

Historically, museum organizations and other history-related non-profit groups have taken on the burden of protecting historic sites and structures. Now that funding is scarce, these groups need to address the alternatives for preserving our nation's resources. Although non-profit organizations and public agencies are not the only groups that act as historic property stewards, they face the difficulty of meeting public expectations under adverse economic conditions. The issues presented in this study go beyond historic property leasing and deaccession standards to illustrate that the

public may no longer be able to rely on public agencies, or non-profit organizations, to protect historic property. Even though historic preservation has become national public policy, like any movement it needs to adapt to current economic and political trends.

Many non-profit organizations and public agencies are facing changes in programs and future development plans in order to meet chartered intents; and the role as property steward is likely to be reviewed during this process. Although numerous organizations are attempting to relieve the financial burden of property stewardship through lease or sale, there are no widely published guidelines or readily available standards on the deaccessioning of historic property. In response to this lack of information, this research project focuses on cases in which national, state, and local preservation organizations have addressed the problems of historic property stewardship. The purpose of this thesis is to determine how a non-profit organization may use deaccession guidelines to protect properties that would otherwise be threatened due to financial constraints. These guidelines are intended to aid in the placement or transferral of historic properties from one non-profit organization to another, or to the private sector as an alternative means of preservation.

The terms "property steward" and "preservation" have specific meanings when related to historic property deaccessioning. "Property steward" means any person or organization who is primarily responsible for historic buildings, sites, or structures. The stewardship may involve ownership, leasehold interest, or management responsibilities. Technically, if a property is sold by an organization that manages collections it is "deaccessioned". Leasing historic property does not permanently relinquish stewardship, yet it is similar to deaccessioning in that it allows the owner to transfer or share the burden of preservation.

Although the term "preservation" has come to mean a specific situation in which a building is preserved for posterity, preservation standards may vary from one group to another. In order to create the stated deaccession guidelines, it is necessary to determine the meaning attached to the term by national, state, and local property stewards. The National Park Service outlines the most suitable and widely accepted definition of preservation as it applies to the leasing of historic property. According to the Park Service's Historic Property Leasing Guidelines -- NPS 38:

> Preservation means the act or process of applying measures to sustain existing terrain and vegetation cover of a site and the existing form, integrity, and material of a structure. It includes stabilization work when necessary, as well as ongoing maintenance.[1]

Adaptive use is often considered an acceptable preservation strategy, and with certain controls such as lease agreements and easements, significant historical or architectural features can be protected. In some cases, private interests have financial capabilities beyond those of a public agency or non-profit organization; and adaptively using an historic property in a joint public/private venture may prove to be the best option for preservationists. A primary example of this view is outlined in the 1988 Fairmount Park Historic Houses Report prepared under the guidance of the Philadelphia Historic Preservation Corporation by the Philadelphia firms of Urban Partners, Jackson Kihn, and John Milner Associates:

> Increasingly new uses and new management strategies are employed in order to reduce the strain on public budgets and meet public expectations for these [historic] structures and parks. The new management strategies draw private money into the public system. These public-private ventures are usually unpopular when introduced, but after the initial outcry they are accepted.[2]

The extent to which the public chooses to "cryout" over the sale of historic properties involves many issues -- some which may lead to expensive law suits and endless negotiations. It is important that non-profit groups be aware of problems experienced by others and consider the options available when they make the decision to employ a deaccession program. The proposed guidelines are based on case studies in which various

preservation professionals and museum organizations have adapted leasing and deaccession as a preservation strategy. Current information on the subject is limited. The primary sources used for this study include personal interviews with professional historic preservationists, administrative records of national and state leasing programs, and local non-profit deaccession policies. The cases reviewed incorporate preservation strategies ranging from specialized leasing programs and easements to regulated purchase agreements.

The problem of maintaining historic properties is experienced by non-profit organizations and public agencies nationwide. For the purposes of this study, the cases chosen for review are all located within the state of Pennsylvania. The choice is not parochial in nature. Pennsylvania happens to be an ideal laboratory due to its rich resources at the national, state, and local levels. The National Park Service has had some notable success with its leasing program in and around the Philadelphia area; and historical societies along with the Pennsylvania Historical and Museum Commission are often called upon to act as stewards for more properties than they can appropriately maintain, or that fall beyond the confines of their chartered mission.

It must be noted that this project is not an exercise in the development of a perfect preservation plan for non-profit or publicly controlled properties. It is generally understood

that no two situations are completely alike; and an attempt to set up one concise model for dealing with all historic resources suffering from poor management is not realistic. The standards presented are based on situations involving the property placement processes of the National Park Service and the Pennsylvania Historical and Museum Commission, along with, strategies employed by local historical societies in Chester County and Historic Germantown.

The models for review include: the National Park Service's property leasing program as it applies to Philadelphia's Thomas Bond House and the Kennedy-Supplee Mansion located in Valley Forge Park; the property placement programs instituted by the Pennsylvania Historical and Museum Commission; and two local programs set up by the Germantown and Chester County Historical Societies. In addition, other sources are used to supplement these primary cases. For example, The Pennsylvania Historical and Museum Commission's property placement program is based on the same principals as those of North Carolina's Historic Preservation Foundation, which provides an established framework for addressing issues of how to regulate and police the process of property transferral.[3] Members and staff of both Preservation Pennsylvania and the National Trust for Historic Preservation have stated an interest in the pursuit of a study which would outline guidelines for the deaccession of historic properties

by non-profit organizations. This interest has made certain administrative records accessible to the author as additional source material. Another important point of reference includes the guidelines employed by museum organizations for the deaccession of artifacts and museum collections. Although there are often vast differences between museums and organizations controlling historic properties, both institutions share concerns and responsibilities as stewards of material culture.[4]

The focus of the cases is on the privatization of preservation through historic property leasing and deaccession. The first chapter is a review of the National Park Service's leasing program and how the NPS has addressed historic property significance, adaptive use requirements, and contract lease negotiations. The second chapter takes historic property leasing to the state level; with an analysis of the Pennsylvania Historical and Museum Commission's preservation policies and how they were incorporated into a comprehensive property collections management program. The third chapter reviews the use of deaccession at the local level. This section contrasts and compares the deaccession policies of the Chester County and Germantown Historical Societies to determine what steps are necessary for a similar organization to successfully set up a deaccession program. These case studies are then combined in chapter four in an

analysis of the methods each agency or organization used in addressing property stewardship. The concluding guidelines adapt the successful elements of the programs in each of the cases to the American Association of Museums accepted standards for collections management.

Similarities between the cases studied make it clear that historic property stewardship is an issue of which preservationists need to be aware. Government agencies and local non-profit organizations are beginning to address their property problems in a manner similar to museum organizations. Specifically, the PHMC has applied certain elements of museum collection acquisition and management policies as a means of forwarding mission goals, meeting programmatic concerns, and addressing the constraints that they experience as a public agency.

For any set of property placement guidelines to be effective, the various ways in which institutions and agencies get involved with historic properties must be taken into consideration. Although religious groups, museum organizations, libraries, schools, and parks all have needs distinctive from one another, they need address similar questions in order to outline the criteria for implementing a deaccession policy. These questions include: how did the organization charter to become a property steward? When and why was the decision made to no longer remain a steward? How

were buildings chosen for deaccession? And what were the strategies used during the change?[5]

It should be noted that the standards proposed are designed to aid administrators in their plans to set up property deaccession programs and that the author is not forwarding a document to serve as a legal reference. The study should provide the reader with an understanding of the problems non-profit organizations and public agencies are facing as historic property stewards. As noted earlier, there is limited information of the subject of historic property deaccession programs. Hopefully, this study will give preservationists an opportunity to review how others have used joint public-private ventures to preserve valuable historic sites and structures.

1. *The Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings*, Rev. 1983. U.S. Department of the Interior, National Park Service (Preservation Assistance Division): Washington, D.C.

2. *The 1988 Historic Houses Report*, Prepared for the Stockton, Rush, Bartol Foundation, the William Penn Foundation, the Pew Charitable Trusts, and the Fairmount Park Commission by the Philadelphia Preservation Corporation, Urban Partners, Jackson and Kihn, and John Milner Associates.

3. December 4, 1990 interview with Larry Tise, former Director of PHMC. PHMC program based on that formulated by Tise for the North Carolina Historic Preservation Foundation.

4. December 18, 1990 interview with Roland Woodward, CCHS Director. He maintains that there are distinct similarities between the museum world and that of historic property stewardship. His professional background is based on museum studies and found it to be useful when dealing with preservation issues resulting from the employment of property placement programs.

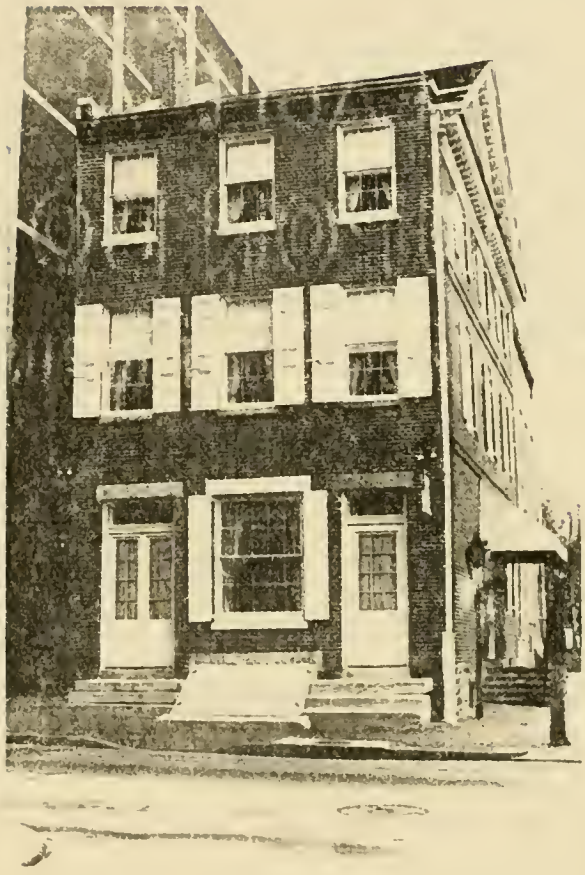
5. November 13, 1990 interview with Grace Gary of Preservation Pennsylvania.

CHAPTER ONE

For the purpose of outlining federal historic property leasing policies, two cases were studied in which for-profit developers leased National Park Service sites. The projects chosen for review were the Kennedy-Supplee Mansion and the Thomas Bond House. The Supplee project was designed to adapt the nineteenth century villa into a restaurant. The Bond House development was a rehabilitation of an eighteenth century Philadelphia home into a bed-and-breakfast. Both of these projects allowed private developers to make use of the National Park's leasing program -- which was implemented to insure the preservation of historic sites and structures.

Fig 1: Kennedy Supplee Mansion

Fig. 2: Thomas Bond House



The National Park Service (NPS) has become the steward of many historic buildings. This has been the result of the growing national awareness of the need to maintain significant cultural resources. The authority of the Park service to lease designated historic properties is based on Section 111 of the 1966 National Historic Preservation Act. According to

the NPS's June 1989 Special Directive 82-12 (revised):

> Under the authorities contained in Section 111 of the National Historic Preservation Act of 1966 as amended, Federal agencies may lease or exchange historic properties to any person or organization if such lease or exchange will adequately insure preservation of the property. Historic properties are defined as districts, sites, buildings, structures, and objects which are included in, or formally determined eligible for inclusion in the National Register of Historic Places. The proceeds from leasing may be used by the agency to defray the costs of administration, maintenance, repair and other agency-managed properties which are on the National Register.[1]

In accordance with the special directives initiated in the early 1980's, the Park Service's duties have come to include the leasing of numerous historic sites throughout the country. The choice to institute a wide-scale lease program allowed the NPS to employ private interests in the protection of public resources. Prior to the 1980's, the leasing of properties within the NPS system was unusual but not unprecedented.[2] Early examples of lease arrangements include the Chickamauga and Chattanooga National Military Park in Georgia. Approximately ninety years ago the agency authorized the park land to be leased for agricultural purposes, the income of which was used to repair park roads and to meet other expenses.[3]

As of 1988, there were an estimated 20,000 historic properties under the jurisdiction of the National Park System. A study commissioned by Philadelphia's Fairmount Park notes

that the "expense of maintaining these properties, many of them not directly associated with park functions or themes, led the United States Congress to consider leasing."[4] The Park Service states that its program of leases and exchanges will be used by the agency to facilitate the preservation, use, and protection of cultural resources whenever and wherever feasible and appropriate under policies and guidelines. The NPS also points out its intent to preserve resources rather than solely promote capital return:

> Leases or exchanges may be used to assure the necessary protection of the historic property and consistent with Service policies and guidelines, and to facilitate park management. The Service will lease historic properties primarily to facilitate their preservation and to enhance the park; generation of revenues is a secondary benefit.[5]

The new program as authorized in 1980 allowed the NPS to lease select historic properties to organizations, groups, or individuals who intend to preserve and maintain the sites.[6] As noted above, this process made it possible for the NPS (as well as other federal agencies) to retain the proceeds from leased properties. Unfortunately the properties never directly receive the lease income. Similar to the situation in Philadelphia with the historic Houses in Fairmount Park, all money raised by the properties disappears into a general fund.

The foundation of any leasing program is based on the process of selection. It is in this area that most preservation issues are first addressed. Programs at the

national, state, or local level should be guided by practical and responsible preservation policies -- in which the selection of properties to be leased depends upon the goals of the owner. For example, a property may be valuable as an early industrial site, but may not serve any programmatic use for a museum that specializes in farm history. In order to address this problem, the property may be leased or sold so that the museum can focus its capital on other program-related properties. In the case of the NPS leasing program, its mission is historic preservation. Within this broad framework, the NPS determined that property leasing would best serve the goal of historic property maintenance and protection.

The need of the NPS to implement a property leasing program was established and forwarded by NPS directives. Once the strategy became accepted public policy, the agency had to outline a system that would provide the services needed for implementation and administration. The fundamental process of the NPS property selection follows strict guidelines. In order to qualify, a property must be owned by the federal government, listed on the National Register of Historic Places, and have been determined to be inappropriate or unnecessary for park administration, operations, interpretation, or staff housing.[7]

The NPS uses regional park authorities to identify

historic properties appropriate for leasing. The scope of the program by 1988 included 193 identified historic properties determined appropriate for leasing as well as 122 structures and 71 agricultural parcels. Out of these 71 properties those actually leased included 26 structures and 45 parcels of land.[8] The NPS guidelines regarding leases and exchanges of selected properties direct that such activity must occur in consultation with NPS historical architects, historians, archaeologists, and other pertinent preservation professionals. The restrictions established for Park properties are as follows:

Leases

Historic properties, including historic structures, historic districts, historic sites and archaeological sites may be leased only if:

1. The proposed use(s) under the lease is compatible with the performance of the NPS mission for the Park in which the property is located;

2. the proposed use(s) under the lease is consistent with the general management plan;

3. the lease is compatible with the use and enjoyment of the Park by visitors;

4. the proposed treatment and use(s) are appropriate to the historical significance and character of the property.

Objects and prehistoric structures will not be leased. Other historic properties will not be leased if:

1. The property possesses as individual significance which contributes to the established national significance of the Park and public access or use of the property is required for park purposes to be realized;

2. the property is needed for on-site interpretation of a significant aspect of the park's history and a lease would preclude or significantly reduce the potential for, or desirability of, the interpretive activity;

3. it is determined to be more appropriate or cost effective to use the property for park administration, operations, maintenance, employee housing or other Service purpose; or

4. it is determined that the property and/or proposed use of the property is "necessary and appropriate for public use and enjoyment of the national park area" under the Concessions Policy Act of 1965 (16 U.S.C. 20), in which case, authorization for use of the property shall be pursuant to concessions policies and requirements.[9]

Lessees of historic properties are invited to propose plans that involve accommodations and services. According to NPS directives:

> Visitor facilities, accommodations and services provided by lessees of historic buildings under the authority of Section 111 would be provided at the initiative of the lessee, not because the Secretary has determined them to be necessary and appropriate with his management of the park area, but because the lessee believes the facilities can be profitably operated.[10]

NPS properties are offered for lease through a system of competitive bidding. The NPS releases requests for proposals (RFP's) to start the bid process. NPS guidelines specify that all proposals received are to be evaluated by the director, and the proposal considered to meet the criteria best is selected as the basis for negotiation of a final lease. In addition, the principle factors used in evaluating the responses to the RFP's include:

1. price;
2. financial capability;
3. experience of the proposer;
4. conformance of the proposals to the RFP and the historical significance and integrity of the site and structure.

Submitted proposals in which a proposed use under a lease is inconsistent with the general management plan must be amended in accordance with the planning guidelines to permit the use. If the proposal does not fit the outlined criteria, a lease for the proposed use will not be undertaken. In addition, all leases must be competitively offered, and lessees may be any person or organization that meets the requirements specified in the lease offering. The NPS considers both profit and not-for-profit entities as eligible.

The NPS through the implementation of its leasing program has undertaken a preservation strategy involving private interests for the preservation of public resources. Specifically, the national agency is preserving historic property with the aid of developers and investors. Although there are risks when such a program is used, many preservation projects such as the Kennedy-Supplee Mansion in Valley Forge and the Thomas Bond House in Independence Park are initiated through the NPS's release of RFP's.

The Kennedy-Supplee Mansion and the Thomas Bond House are both NPS properties developed for hospitality uses, yet the

development packages promoted different preservation strategies. In comparing the two projects, the Kennedy-Supplee had more characteristics of a restoration than Thomas Bond house, but both were rehabilitation projects. each property is considered by the NPS to be historically significant, but the Valley Forge property had much of its interior fabric remaining while the Independence Park structure had little left that was original.

Although the terms "restoration" and "rehabilitation" may seem closely related, they determine very different approaches with respect to a property development plan. For example, according to the Secretary of the Interior's Standards and Guidelines for Rehabilitating Historic Buildings, restoration means:

> The act or process of recovering the general historic appearance of a site or the form and details of a structure, or portion thereof, by the removal of incompatible natural or human caused accretions and the replacement of missing elements as appropriate. For structures, restoration may be for exteriors and interiors, and may be partial or complete.[11]

In contrast, the Secretary's guidelines specify rehabilitation as:

> The act or process of returning a property to a state of utility through repair or alteration that makes possible an efficient contemporary use while preserving those portions or features of the property that are significant to its historical, architectural, and cultural values.[12]

The Kennedy-Supplee and the Thomas Bond cases outline

specific issues that any organization needs to address when leasing or selling historic property. First, what are the goals and intentions of the lessor (or seller) and how are the properties to be advertised? Second, are the terms clear as to what form preservation may be allowed to take? And finally, is the lessor targeting a profit seeking entity, an non-profit organization, or both? As earlier noted, the working definition of preservation should be specifically established prior to the placement of the property. For example, the regional authorities of the NPS put forth stricter guidelines for the Supplee project due to its existing architectural fabric. Unlike the Bond project, the significant interior of the Supplee mansion limited its adaptive use.

The leases of the Kennedy-Supplee and Bond projects were designed for profit-making enterprises, however, this was not strictly the design of NPS officials. Rather, the response to the RFP's dictated the choices the NPS had in the types of projects that could be used to preserve the sites. The top two choices for the Supplee property happened to be submitted by private firms with profit making projects. NPS officials initiated negotiations on the Kennedy-Supplee site with the Vitetta Group, a private Philadelphia architectural and engineering firm, which promoted adaptively using the building for offices.[13] After the decision was made to

abandon the initial negotiations, the NPS went down the list to the second choice in the pool, Middlestates Preservation Funding Inc. This group promoted development of the property into an upscale restaurant, although the use would be considerably heavier and less desirable than offices, it provided a viable program for restoring the structure. The adaptation of the house involved two phases: the building restoration and the establishment of a restaurant business. The first phase was a success, while the second has been subject to management problems.

Thomas Lantry, the developer and managing partner for the Bond House rehabilitation, was given greater freedom in his development plan because the interior was empty of historic fabric. The flexibility in the NPS leasing program involving proposed uses allows the NPS to survey the uses suggested in the responses to the RFP's. This process takes the burden off the NPS since it is unable to provide extensive funding for researching historic property development packages.

If an organization chooses to lease property to private for-profit developers, then it should review what the sites have to offer interested parties. For example, as a developer Lantry has a system by which he grades prospective properties. This system reviews a site from the "financial viabilities" aspect. The points addressed include:

1. location;

2. the applicability of adaptive uses; and

3. the age of the structure.

Unlike Middlestates Preservation Funding Inc., which became interested in developing a restaurant using the Kennedy-Supplee site after the NPS released its RFP, Lantry reviewed a variety of NPS sites in search of one that would fit his plans for establishing a bed-and-breakfast. He chose the Bond House because it was:

1. the appropriate age for marketability;

2. located in Independence Park, which has a reliable rate of tourist visitation;

3. adaptable due to the dearth of significant interior architectural fabric; and

4. in an area where skilled artisans were readily available for the specialized rehabilitation.

The third factor, the lack of significant interior fabric was especially important to Lantry. It allowed for the design of the new use to include modern amenities and life safety code requirements -- which would have been more expensive to install if the interior had been left intact.[14]

For-profit developers like Lantry may often follow the rule that a particular building is chosen for a particular use, rather than a use determined as a response to NPS requests for proposals. In the case of the Bond project, use definition determined the type of structure leased. In an interview Lantry compared the Bond House project to that which took place at the Kennedy-Supplee Mansion. He chose not to

respond to the Park's RFP for the Valley Forge site because it did not meet his criteria for a successful business venture. Lantry states that for his needs, the Kennedy-Supplee Mansion did not seem to have enough rooms, was too close to a major roadway, had evidence of extensive and elaborate finishes, and the cost he estimated for its restoration was beyond his range of viable capital expenditure.

Middlestates Preservation Funding Inc. was oriented toward slightly different goals than Lantry. Although the corporation responded to the Park's RFP with a profit making plan, its managing partner was a trained preservationist with an interest in historic buildings. It was specifically the architectural and historical features of the property that influenced Middlestates Preservation Funding Inc.'s decision to submit a proposal.

Using these two cases as examples, it is clear that the NPS leasing program provides various administrative methods by which a property may be preserved and protected from neglect. In summary, the NPS leasing system involves five phases:

1. the implementation of an approved leasing program;
2. a selection process by which properties are listed eligible for lease;
3. allowing public access to sites through the RFP release;
4. the setting of standards for preservation through the details outlined in the RFP's; and
5. the listing of responses from the most to least preferred for site preservation.

Unlike smaller organizations, the NPS leasing program is not threatened by community response. The decision to employ a leasing program has been legislatively approved as National Park Service policy and does not seem to arouse public opinion or local disapproval. Even though it is currently suffering from a lack of patronage, the Bond House project has enhanced the Independence Park area with its recreated eighteenth century exterior and visitor accommodations. And while the Kennedy-Supplee Mansion has experienced some management difficulties, its restoration is considered a success.

The NPS lease strategy has brought together public interests and private investment in order to protect historic sites. This alternative mode of maintaining resources for the public trust may be adapted at the state and local levels as well. Determining property significance, selection, and mode of protection are necessary elements which should be included in any historic property leasing or deaccession program.

1. United States Department of Interior, Special Directive 82-12 (a June 27, 1989 revision of the initial November 26, 1982 NPS Directive. Reply # A5623 (422).

2. *1988 Fairmount Park Historic Houses Report*, Prepared for the Stockton Rush Bartol Foundation, The William Penn Foundation, the Pew Charitable Trusts, and the Fairmount Park Commission by the Philadelphia Historic Preservation Corporation, Urban Partners, Jackson and Kihn, and John Milner Associates, p.3.

3. Ibid

4. Study compiled to address options for preserving the historic houses in Fairmount Park. Authors reviewed various national programs and suggest that private investment and lease programs may be valuable means to assure preservation.

5. Op cit Special Directive.

6. Op cit *Fairmount Park Historic Houses Report*.

7. Extensive descriptions of procedures available in the NPS Historic Property Leasing Guideline NPS-38: Release No. 1, October 1982.

8. Op cit Houses Report.

9. Op cit NPS Historic Property Leasing Guideline

10. Op cit Special Directive 82-12.

11. United States Secretary of the Interior, Standards and Guidelines for the Rehabilitation of Historic Buildings. U.S. Department of the Interior: National Park Service.

12. Ibid

13. Information from January 8, 1991 interview with Middlestates Funding Inc. managing partner Larry Snyder.

14. November 13, 1990 phone interview with Thomas Lantry. His role in the Thomas Bond House project included: site

negotiations, response to RFP's, project manager, contractor, and is currently managing partner.

CHAPTER TWO

The federal government is not alone in the employment of property placement programs. State agencies such as the Pennsylvania Historical and Museum Commission (PHMC) have had to seek alternative methods for the protection of cultural resources. Economic trends and political priorities have changed over the past decade. As a result, funding that had once been available for the administration and development of historic sites and collections is greatly diminished. Although the National Park Service and the Pennsylvania Historical and Museum Commission are government agencies, they share many of the same problems as private non-profit groups in the attempt to preserve historic sites with limited resources. The NPS and the PHMC have both used leasing as a preservation strategy. The Park Service was authorized through amendments to the 1966 National Preservation Act to employ its leasing program, and the state of Pennsylvania was authorize to enter into lease agreements under the 1978 Historic Preservation Act and museum deaccessioning by the Pennsylvania Historical and Museum Commission.

The decision to employ alternative methods of preserving sites was a result of the PHMC's inability to appropriately maintain direct control over its extensive collection of historic property. During the 1960's and early 1970's, the Pennsylvania Historical and Museum Commission found the number of its holdings significantly increased.[1] With the addition

of five major museums to its program in the early 1970's, the property holdings of the commonwealth under the custody of the commission included 60 historic sites with more than 500 buildings.[2]

Larry Tise, former director of PHMC, published an article on the subject in the American Association of State and Local History's History News entitled "Coping With 'the Great Declension'". According to Tise, the use of a property placement program that would deaccession sites through a system of controlled leases was determined necessary due to the Commission's need to restructure its role as a property steward. This need for reform was the direct result of the decreased availability of funds and the commission's over-extended role as property steward.

> Ten years ago the safest possible haven for a museum or historic site was in government ownership, funding, and operation. After more than 100 years of efforts throughout the United States to get government at all levels to view the funding and management of cultural institutions as one of the cornerstones of American life, the federal government, every state government, and many local and city governments began acquiring historic sites, establishing museums, and providing significant funds for their development and operation. . .Then came hard times and all of a sudden, historic sites and museums owned by the government or partly supported with government funds saw the days of relatively great abundance evaporate.[3]

The decision to lease out selected sites began with a

comprehensive survey of Pennsylvania's historic site and museum programs. The study included a five-part strategy involving preservation and museum professionals as well as officials from the PHMC and the Department of General Services. It was considered necessary that the PHMC develop a program that placed properties under the control of other organizations, yet the commission had to control how the properties were to be treated as historic sites. Various issues such as the use, maintenance, and availability of the sites to the public were important concerns of PHMC and state officials. The strategy for property placement was developed to incorporate the following five stages:

1) The professional evaluation of all the sites and museums for their importance in a state program of historic sites and museums.

2) The classification of all PHMC properties into one of three forms of management for the future.

   -full staffing and management by the commission;

   -full management by a local historical organization under contract to the commission and with minimal financial assistance from the commission; or

   -alternative management as a non-interpretive property under a lease or occupancy agreement.

3) The placement all of PHMC properties under the property management scheme selected for each property.

4) The creation of a combination of funding initiatives to provide for the development and care of all the properties.

5) The establishment of a statewide historic preservation revolving fund to handle the placement of historic properties that might otherwise fall into the custody of the commission.

According to former director Tise's synopsis of the process, the first three parts of the strategy unfolded in sequence. The Commission first evaluated the property holdings, then classified all holdings, and finally, placed each property under the appropriate management mode. The last two points of the process, in which the PHMC launched initiatives to develop the major properties and the establishment of a statewide revolving fund, were simultaneously instituted with the property evaluations.

The project evaluation panel included seven historians, museologists, and historic preservationists who would serve as the property evaluation panel. The staff was required to compile data on all 60 of the PHMC properties for the evaluation panel. The information gathered included: a description of the nature of the property, its purpose, its size and shape, how the commission acquired it, and current staffing situations. In addition to the survey information, maps and photographic references were compiled for each property. The staff also organized historical, curatorial, and interpretive data which was arranged under three headings:

1) The historical significance of the site or of the museum's collection;

2) the integrity of the physical site or the collection of the museum; and

3) the role and purpose of the site or museum in a balanced interpretation of Pennsylvania history, life, natural history and culture.

Along with these three subject headings, data was interpreted concerning the detailed surroundings of the property in terms of access to services, transportation, possibility of visitor attraction and local support with volunteer involvement. The compiled information was then sent to each member of the evaluation panel. Prior to meeting with either the staff or one another, panelists were asked to prepare a blind ballot segregating the PHMC properties evenly into one of three categories. These were to be listed as: most important, less important, or least important. The members of the evaluation team were then required to individually determine which properties were most, less, or least significant in Pennsylvania history and culture; which had the most, less, least integrity either as historic sites or as museum collections and exhibits; and which were most, less or least important if the PHMC were to have a balanced and comprehensive program of interpreting Pennsylvania history, life, and culture.[4] Once the members of the evaluation panel had separately reviewed the properties within the designated framework, there was "surprisingly little variation in the individual decisions".[5] However, there were a few changes as

a result of group discussion and consideration. At the completion of the evaluation stage there were five recommendations that the commission should in some manner divest itself of those properties which were targeted as less or least important. In addition, it was generally agreed that the commission should avoid taking on any additional sites or museums.

Once the properties were professionally evaluated, similar to the selection process employed by the National Park Service, uses for the sites or museums were outlined. Nearly one half of the properties had been previously closed to public visitation and additional state funding sources were not likely to be acquired for site administration. The properties were reviewed during the classification phase by the points outlined in part two of the five-part strategy. These points addressed the type of management group which would best suit the needs of a given site. For example, full staffing may be appropriate for an important local history museum while a group of structures that are of no historical or exceptional architectural value may be leased as office space without a site staff. According to Tise,

> If the commission were to reopen the sites or museums, they would have to operate them with a minimal expenditure of funds. Since some were actually vacant buildings, never having been furnished and without interpretive programs, there was no question of operating them without heavy capital expenditures.[6]

As a result of the outlined five part-strategy, the PHMC retained 31 sites or museums under direct commission management. 27 of these sites had no staff at all and twelve of them had been permanently closed to the public. The remaining 19 properties were volunteer operated and open on an occasional basis. Currently, twenty-nine of the commission's 60 properties are under its direct control. These sites function as office space, museums, or for other purposes directly related to the PHMC. The remaining thirty-one properties are leased out to either museum or historical organizations with two leased out to church organizations and one to an educational institution. Of the last three sites mentioned, two involve specific lease agreements and one a letter of obligation. All the properties are under the ownership of the PHMC and they require that all changes and alterations are received by PHMC and twenty-seven are supported through the commission's subvention policy. The PHMC subvention program allows the commission "at its sole and exclusive option to provide assistance to the management group for use in a particular fiscal year."[7] The commission's policy statement outlines the terms of subvention:

> The amount of subvention, if any shall, to the extent possible be disclosed by the commission prior to the completion of the budget. Such subvention may be limited to use for specific purposes only, and, if made shall be used only for such specific purposes. Provided, however,

> that although no specific uses may be associated with the subvention, in no event shall monies be used for any purpose other than paying the cost of utilities, water, sewerage, trash removal and general maintenance and repair of the facility. All monies shall be used in the applicable fiscal year. Monies remaining at the end for expenses previously obligated or incurred shall be returned to the commission.[8]

The PHMC's subvention policy allows the commission to place properties into programs that might not have the funds to meet the needs of a given property. Although the PHMC is committed to allocating funds as a means of aiding a management group, it would cost the commission much more to maintain the properties if they were under direct commission control. The subvention, which is a form of an annual grant, is tied to the original agreement between the commission and the designated management group. The conditions are negotiated annually and available funds are used to offset the expense of utilities and maintenance. The PHMC was originally authorized to allocate funds to the designated management groups through the Administrative Code of 1929, Act P.L. 177 and is now authorized by the history code of 1988. This code allows PHMC "to enter into agreements with responsible private historic associations, foundations and similar organizations for carrying on services or programs".[9]

As of 1988, the size of the grants ranged from 350 to 33,000 dollars per year. The subvention program acts as a

preservation maintenance funding source --in which the rental income received from various sites is pooled together with other resources in order to aid the management programs into which the PHMC properties are placed. The contract agreement used to administer subvention money outlines the conditions each management group must meet:

> The management group shall manage and operate the facility as an historic site to aid and assist the commission in preserving the historic integrity and interest of the facility. The facility shall be operated in accordance with the terms and provisions of successive "management programs" and "budgets". A written management program describing in detail the activities to be conducted at the facility, scheduled maintenance and repair of the facility, and intended uses of the facility, and a written budget, reflecting the anticipated cost of the management program, shall be developed through cooperative efforts of the commission and management group to cover each twelve month period beginning July 1 and ending the following June 30 [fiscal year] during the continuance of [the] agreement.[10]

The PHMC's subvention program provides a base model in which a public or non-profit agency may allocate funds for designated preservation needs. The nature of the PHMC and its role as property steward entitles the commission to receive a portion of its funding from state sources. Although a private non-profit organization may not have access to such immediate revenue sources, a similar "sink-fund" may be set up to aid in the preservation maintenance of properties that have been

leased to other groups or individuals. For example, the lessor of historic properties may set up an escrow account in which the lessees are required to annually contribute a designated fee. The account could then act as a revolving fund which would provide capital for building maintenance or extend to provide grants that could be matched by lessees for preservation purposes. Numerous variations to this scheme may be employed, however, the lessor needs to have more than one property and they have to prove leasable. In addition, The lessees must also be willing to agree to such designated standards. Although there are major differences between state agencies such as the PHMC and private organizations, they often share similar problems --and solutions employed by public agencies can be modified and used by private organizations.

Certain aspects of the PHMC property placement program are similar to the National Park Service's leasing program. Both agencies act as stewards of public property and each have a selection process by which properties are chosen for alternative management schemes through lease negotiations. The nature of these government agencies allows them to implement policies through a set system of controls. For example, when a non-profit organization or public agency has a legislative basis for actions, the program gains the necessary authority to administer property placement programs.

Unlike local historical societies which do not officially act as stewards of state property, the government agencies are better equipped to respond to interest groups and faction that may arise due to a given program. The legislative basis for the policy helps allay possible community concerns. This is extremely important when dealing with cultural resources --an agency or organization must be able to convince its local community or constituency that it is acting in a reasonable and responsible manner.

The Pennsylvania Historical and Museum Commission has had little negative community reaction to its placement program. Many sites that were in various stages of disuse and threatened by disrepair have been rejuvenated by new management and independent organizations. According to Tise's "The Great Declension" article:

> 27 sites and museums that had been placed under the commission's custody over a period of 40 years and that had been closed in recent years are being returned to full use, protected and made available again to the public. And we [the commission] have done this in a manner that will replace the reduced expenditure of 250,000 with at least that much money in new income collected by the new management groups.[11]

This success in dealing with the problems associated with the overburden of real estate has allowed the PHMC to make better use of the sites that continue to remain under its direct control. Although there are other options to chose from in order to deaccession property, both the National Park Service

and the Pennsylvania Historical and Museum Commission have used lease programs as a preservation strategy. By reviewing the lease arrangements as outlined, preservationists may employ certain procedures that may be used in the adoption of the more permanent program of deaccessioning historic property.

1. *Fairmount Park Historic Houses Report*, Prepared for the Stockton Rush Bartol Foundation, the William Penn Foundation, the Pew Charitable Trusts, and the Fairmount Park Commission by the Philadelphia Historic Preservation Corporation, Urban Partners, Jackson and Kihn, and John Milner Associates.

2. Larry Tise, "Coping With the Great Declension," History News. (July 1983), p. 13.

3. Ibid

4. Ibid

5. Ibid

6. Ibid

7. Excerpt from Statement of Property Placement and Subvention Policy of the PHMC. Information made available to the author by Brenda Barret, Director of the PHMC Bureau of Historic Preservation.

8. Excerpt from the *1988 Historic Houses Report* research on various leasing programs throughout the nation, p.6.

9. Outline of *Management Agreement of The Pennsylvania Historical Museum Commission*. PHMC Property Placement Program File, Bureau for Historic Preservation.

10. Excerpt from *Subvention Contract*, PHMC property placement program file.

11. Op cit Tise, p. 15

CHAPTER THREE

Ownership of historic properties is not limited to government agencies. Many non-profit organizations are currently owners of historic property as a result of private gifts by donors. Due to limited resources, there is a growing awareness among local history museums and historical societies that collection and property management programs must include deaccession policies. Similar to the leasing programs of the NPS and the PHMC, the Chester County (CCHS) and Germantown Historical societies have chosen to use deaccession as a preservation strategy. Both organizations own historic properties that they consider to be a burden to their chartered missions. Although the CCHS and the Germantown Historical Society used similar deaccession methods, they did not share the same success. The purpose of comparing these two cases is to determine why similar deaccession programs did not successfully meet the same intended goals.

Historic property leasing and deaccession enables owners to share or exempt themselves from the burdens of property management. Although leasing and deaccession serve similar purposes, the sale of historic property tends to raise more controversy. In response to this dilemma, the CCHS and the Germantown Historical Society included easements and protective covenants in the deaccession of their historic properties. However, even with these restrictions, the CCHS experienced serious setbacks as a result a vocal minority who

argued that the CCHS was skirting its responsibilities as an historical agency.

The conflict over the CCHS deaccession policy eventually led to court proceedings concerning the sale of the Humphry Marshall House in West Bradford Township. According to the CCHS director Roland Woodward, the publicity of the court proceedings caused poor public relations between the society and the local community. Even though the CCHS and the Germantown Historical societies serve different communities, in order to deaccession they both had to determine:

1) their mission and how they defined their purpose as public educational and historical facilities;

2) the historical significance of each property and how public interest might best be served;

3) their financial and program needs and how they related to the significance of their historic resources; and

4) How they interpreted acquisition, donor trust, and historic preservation.

In the process of defining their goals as historical and research facilities both organizations had to review their roles as historic property owners. Deaccession allowed the societies to consolidate their real estate and provide capital for programs while preserving the historic properties. However, unlike the Germantown situation, the CCHS had problems with the public accepting the sale of properties that did not fit the society's redefined goals. The current

director of the CCHS states that the society is intended to provide research facilities and educational resources as well as exhibit collections. Similar to other museum organizations, the CCHS needed to address the type, condition, and placement of all its collections, including its historic properties. Although deaccession is generally accepted within the museum community, application of deaccession policies by non-profit historic property owners has yet to become a standard method of preservation.

In November of 1988 the CCHS purchased the old YMCA building in West Chester with intentions to rehabilitate it for new offices, library facilities, and museum space. The decision to move was part of a plan designed to address space limitations, educational programming, and property administration. The society's move to the headquarters involved extensive rehabilitation. In order to meet the project costs, the society needed an active capital campaign that would not conflict with their preservation goals. According to a special April 18, 1989 newsletter to CCHS members:

> CCHS owns six properties and we have recently concluded a study of their most effective preservation and use. Growing out of our long-range plan, the Society's board designated a special properties committee to make recommendations for the future of each CCHS property.[1]

Similar to the PHMC leasing program, the CCHS set up a

system of reviewing its properties in terms of their historical and architectural significance, uses, and the society's overall program needs. The CCHS invited professional consultants to aid in the deaccession program. The consultants generally agreed with the Society's conclusions. However, the decision to deaccession properties occurred without public knowledge and resulted in a series of negative news articles that questioned the intents of the CCHS. The CCHS's decision to sell the Humphry Marshall House led to a passionate letter published in the Philadelphia Inquirer. The author, who later brought suit, argued against the CCHS's sale of his relative's donated property:

> CCHS is breaking the spirit, if not the word of [the donor's] wishes, and it will be denying to all future generations an opportunity to visit the house and grounds of this most important American/Botanist author.[2]

The property review process began with a special properties committee. According to a March 1988 CCHS memorandum "this property committee was established in the hope that it would be the last of its genre for some time to come."[3] The CCHS had six donated historic properties: the 1704 Brinton House in Dilworthtown; the David Townsend House in West Chester; the Collins House in West Goshen Township; the Humphry Marshall House in West Bradford Township; the Hopper House in East Whiteland Township; and Warren Point in Warwick

Township.[4] After a review process involving the CCHS board and outside consultants, the Humphry Marshall House, Hopper House, and Warren Point were selected for deaccession. The Humphry Marshall House is a large stone farmhouse located along Route 162 in Marshelton next to a commercial nursery. The Hopper house includes an eighteenth century log structure with twentieth century wood frame additions and a large barn. Warren Point was rehabilitate in the 1930's and is a romanticized version of an eighteenth century farm. All three of these properties have been used as private residences and could easily be sold as such.

Fig. 3: Humphry Marshall House

Fig. 4 Hopper House

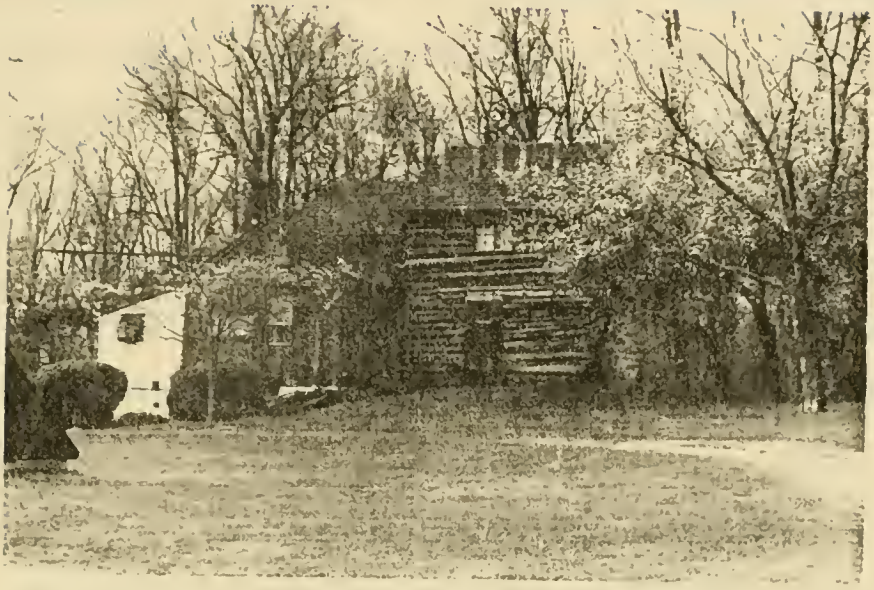


Fig. 5: Warren Point Farm

The process of selection was a two part process that began with a staff and board assessment of all the properties. Ownership rights to the 1704 Brinton house were in litigation during the CCHS property committee's assessment. The committee concluded that the house was an important asset to the society and recommended status quo treatment. The Collins House was determined to have no programmatic potential with its asset value making rental unattractive. The committee recommended that the property be subdivided into two parcels, with the house on one and a building lot on the other. These were to be sold together or separately, with the house sold first. In order to make the sale free and clear, the society had to contact the property's donor Bart Anderson and vacate his life interest. The Humphry Marshall House was determined historically significant with respect to its original owner. The committee stated that "the structure and site have lost much of their historical and architectural integrity."[5] the committee decided to subdivide the house and 16 acres leaving 35 acres of open land. Plans were made to unrestrictively sell the surrounding acreage while easements were placed on the house. The David Townsend House was considered a current asset and was recommended to be retained status quo. Warren Point Farm was concluded to hold great potential "in keeping CCHS's name and agenda before the Pew family and The Pew Charitable Trusts".[6] Specifically, the CCHS did want to

change the program for Warren Point because of the current financial support made available through the Pew Charitable Trust. However, the committee reviewed the recommendations of the consultant team and later determined that Warren Point would join the other properties slotted for deaccession.

These assessments began with a detailed examination of the history of each property and how the CCHS has used the property during its ownership. The board then discussed the possibilities of other uses. The society explained to its membership:

> We discussed whether any of the properties which have not been open to the public should be considered for use as historic house museums. We assessed to what degree developing these properties as museums would duplicate other historic resources in the Delaware Valley. We looked at each house in terms of what it could offer the public and what the costs would be to develop house museums with appropriate staffing and visitor services. We also reviewed the properties in the context of our long-range plan's conclusion that the Society's future, and our ability to best serve the public, is in the concentration of our resources to strengthen our library, archives, museum, and educational programs.[7]

The Society concluded that its principal responsibility was to ensure the future preservation of each property. In addition, the CCHS decided that it did not need to own a property in order to secure its preservation and those that would remain under CCHS ownership would either have a programmatic or institutional use.

After the CCHS property committee made its preliminary conclusions, The CCHS convened an outside panel of five historic property professionals. The panel inspected each property within the context of the property committee's recommendations. As a result of the panel's conclusions, the CCHS undertook to deaccession three properties: the Hopper House, the Humphry Marshall House, and Warren Point. The Society decided to keep the 1704 Brinton House which operated as a house museum with plans to improve visitor service facilities and work on restoration repairs. The David Townsend House was also to remain under CCHS's ownership. It is located near the new headquarters and the house and garden could be used for future programming. The society stated that the properties sold would be protected by facade and conservation easements. This protection would provide the Society with a continuing interest in each property and allow it "to take appropriate action should future owners fail to meet their preservation responsibilities."[8]

Unlike the CCHS, the Germantown Historical Society had no problems with the local community in its decision to sell its historic properties. The society underwent a museum assessment program by the American Association of Museums in 1987. As a result of the review, it was suggested that the society consolidate its real estate holdings. In October of 1988, the Society announced its plans to move up the street

from its 5214 Germantown Avenue address to the former Germantown Insurance Company Building on the Market Square. According to the current director, the move was necessary for the society to properly run exhibits and public education programs. The location at 5214 Germantown Avenue was not equipped to hold large groups and did not meet code requirements. The society formally made the decision to move when it acquired the Smithsonian's "Black History" exhibition for the spring of 1988.[9] The Society saw a need to cater to its community and the exhibition was to be the catalyst for this goal. In order to finance the location change, the society put its old headquarters and five other properties up for sale. These included the 1798 Bayton and Howell Houses, the 1796 Conyngham-Hacker House, the 1802 Endt and Bechtel Houses, and the 1745 Clarkson-Watson House. Most of the houses have been extensively altered with little original interior fabric remaining. The society considers the Clarkson-Watson house to be the most historically significant site. It was built circa 1745 and was "allegedly home to Thomas Jefferson during the yellow fever epidemic in 1793."[10] The house was completely gutted during a 1971 renovation leaving no evidence of the original spaces. All the properties are part of the local National Register District; they are listed as Philadelphia landmarks with protected covenants set up by the PHMC for some of the properties as a

result of grants acquired in the 1970's. The Baynton, Conyngham-Hacker, and the Howell houses were used as museum spaces. Each property except for the society's main office had small rental units in poor condition. Currently four of the six properties have been sold.

Fig 6: 1798 **Bayton** House

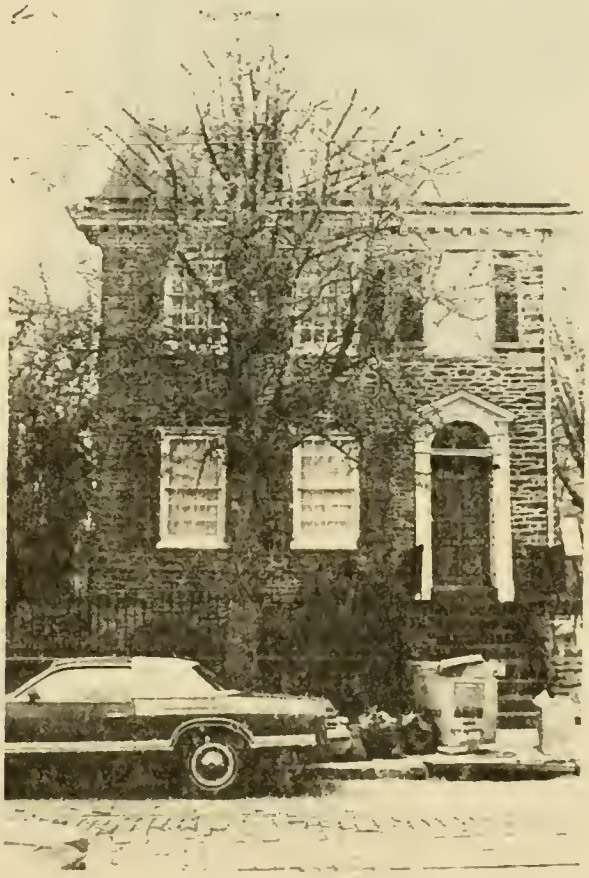


Fig 7: 1798 Howell House

Fig 8: The Conynham-Hacker House

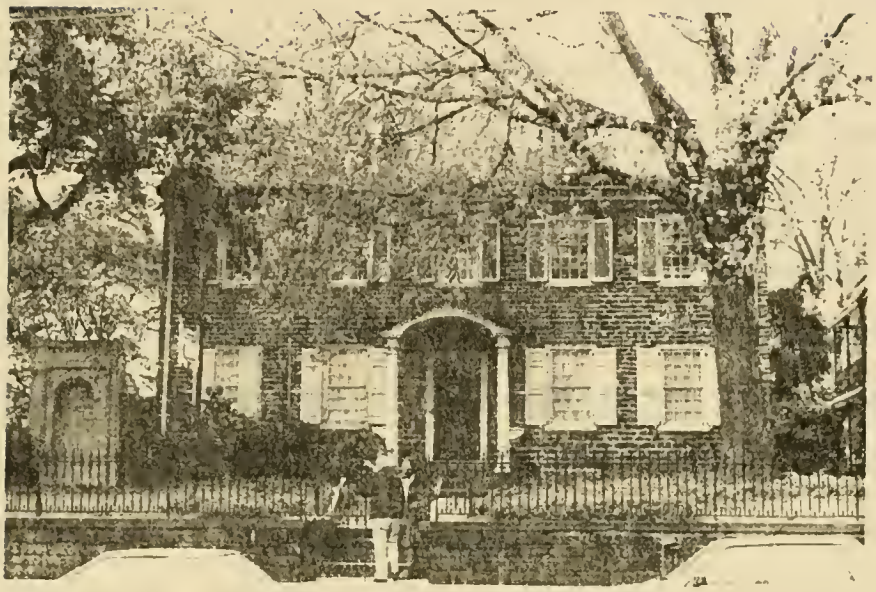


Fig. 9: The 1745 Clarkson-Watson House

The Conyngham-Hacker house became the society's headquarters in 1927. The property was given to the society with a trust agreement in which it was to be used for corporate purposes. At the termination of this use, the donor requested for the title and sale proceeds to be transferred to the Germantown Hospital. On the issue of donor trust and museum deaccession, this is an example of a good donation agreement. The donors of the house considered the possibility that the historical society may choose to sell it and designed a trust agreement with this fact in mind. Current accession policies of most museum organizations specify that donations should be restriction free. However, if a donor wants a property to be preserved in perpetuity they must consider the needs of the agency to which they chose to give title. If a plan for future sale of the property is considered in the original trust agreement, confusion may be avoided when the owner is no longer able to appropriately maintain it. If the property is sold, protective covenants and easements may be set up to preserve the significant features of the site.

Before closing escrow on their new headquarters, the Germantown Historical Society sent a "position Paper" to its membership concerning its plans to consolidate its collections and sell its old offices and remaining properties. In addition, the society invited the Philadelphia Historic Preservation Corporation to help set up easements for the

sites. There were some phone inquiries from members, but the society's decision to move was generally accepted. The position paper specified the society's purpose and program intent before escrow was closed on the building for the new headquarters. As a result of this timing, the society did not appear to be retroactively informing its members and community of its new mission and thus avoided the accusations that were made against the CCHS.

Unlike the CCHS case, there was little controversy concerning the Germantown Historical Society's decision to sell its properties reported by the local press. The only reference to a community "loss" was in a September issue of the Germantown Inquirer which mentioned that "it is not often that a 'block of history goes up for sale'." The article addressed the sale of the Conyngham-Hacker, Baynton, and Howell Houses which were bought by local architect Berdell Buckley for conversion into an apartment complex.

Another difference between the Germantown and CCHS situation is that all but one of the Germantown properties were bought as an effort to protect the buildings from demolition. In contrast, the CCHS properties were mostly donated to the CCHS for the purposes of preserving the structure, and in some cases honoring the donor's family. As attitudes towards historic houses changed, the CCHS was caught in a difficult dilemma. It was responsible for house museums

which did not meet program needs -- some of which the CCHS considered to be inaccurately interpreted. Although the CCHS deaccession program has taken longer than expected, the Society continues to consider it the best way to protect the properties and CCHS financial welfare.

In addition to concerns that the CCHS had violated donor trust, the CCHS deaccession program suffered as a result of local politics. According to the executive director, a vocal minority failed to accept the policy as a preservation strategy. In the case of the Humphry Marshall House, the politics became so muddled that certain NPS officials claimed that the CCHS purposely proposed inadequate boundary lines when it nominated the property to be included in the National Register of Historic Places. Although the processes of historic landmarking and historic property nominating are performed by separate NPS offices, any specific concerns would have been addressed during the approval process. The problems CCHS experienced with deaccessioning may be summarized as follows:

1) The CCHS was in a position where it had to make a quick decision concerning the purchase of the old YMCA building. This made it difficult to ensure the public that the society was not attempting to secure capital through deaccessioning other properties.

2) The significance of its historic properties were determined with preservation and financial needs in mind. Although the selection of the properties was considered appropriate by outside preservation professionals, the society appeared eager to dispose of the properties as soon as possible. This could

have been avoided if outside preservation organizations such as the PHMC or PHPC had been used to bridge the gap between the Board and staff decisions and members of the local community.

In comparison, the Germantown Historical Society was able to avoid deaccession problems because:

1) Its properties were in poor condition and could not be used for groups as a result of code requirements; And none of the houses contained enough architectural fabric to be interpreted as House Museums.

3) Community needs were best served by the new headquarters without which the Society could not participate in the Smithsonian's travelling "American Black History" exhibition.

As outlined above, the CCHS setbacks and the Germantown Historical Society's successes resulted from the methods each used to inform the public, coordinate local and society needs, and protect the historic properties. Given the degree to which the CCHS had difficulties, it may be concluded that the board and staff needed to invite an outside objective preservation organization into the process in order to validate its decision to use deaccession as a preservation strategy. Although deaccession should not be considered the only choice for relinquishing historic property stewardship, it should be an available option to those who suffer financial burdens as a result of property stewardship. If a plan can be designed in which the deaccession program meets the needs of the community, the owner, and adequately insures the preservation of historic resources, it may be used to protect

otherwise threatened historic properties.

The CCHS and The Germantown Historical Society both serve communities that are part of the greater Philadelphia area. Each has limited funding sources and acquired historic property through donation -- or purchase in order to "save" a site from destruction. The functions of the CCHS and the Germantown Historical Society include education, collections exhibition, and historic property management. However, the communities in which these societies are based are distinctly different. The CCHS serves Chester County which contains a well organized and vocal group which supports historic preservation and open space conservation. In contrast, Germantown is adjacent to the City of Philadelphia and shares the same problems of urban decay. The interest of the community is not generally centered on preservation of historic sites. Other urban needs such as employment, housing, and education often take precedent. These differences may be the reason why the Germantown Historical Society had no problems with the community when it announced its decision to sell six main street properties; and why the CCHS had difficulties convincing local citizens that deaccession was the best alternative for the preservation of its historic houses.

1. *Chester County Historical Society Newsletter*, April 18, 1988.

2. Philadelphia Inquirer, J. Boylston Campbell letter to the editor, May 18, 1989.

3. *Chester County Historical Society Special Properties Memorandum*, March 16, 1988.

4. *Chester County Historical Society Letter to Membership*, April 18, 1989.

5. Ibid

6. Ibid

7. Ibid

8. Ibid

9. January 18, 1991 interview with Germantown Historical Society Director Ann Hermann.

10. "Historic Houses for sale in G'town", Germantown Courier, September 6, 1989.

Chapter Four

As historic property stewards the NPS, the PHMC, and the Germantown and Chester County Historical Societies have all experienced the "non-profit dilemma". They are designed to protect cultural resources in the public trust, yet they have to secure funding and capital in order to exist. As Larry Tise stated in his article discussing the PHMC's leasing program: "ten years ago the safest possible haven for a museum or historic site was in government ownership, funding, and operation."[1] However, funding for non-profit historical agencies or local public interest groups is now limited, and these non-profits are left with the responsibility of preservation without adequate financial sources. In response to this dilemma, the NPS, the PHMC, and the Chester County and Germantown Historical Societies all concluded that alternatives to stewardship needed to be explored. By employing leasing or deaccession programs they set up joint public-private programs to forward their preservation prerogatives.

In each of the cases studied, adaptive use was determined a viable method of addressing financial and preservation needs. Although leasing provides for the burden of preservation and maintenance to be shared or exchanged, it is not risk-proof. For example, private investment in an historic site to promote an adaptive use will earn tax benefits only if done for commercial or business purposes.

According the 1986 Tax Act, an owner may receive a 20% tax credit for the substantial rehabilitation of an historic building for either commercial, industrial or rental residential purposes.

If leasing or sale of historic property involves adaptive use or rehabilitation, the physical changes as well as the proposed use need to be reviewed. This is another dilemma for non-profit organizations. They often do not have the resources to address the business aspects of adaptively using historic property. They may be equipped to protect significant historic fabric through easements, restrictive covenants, and/or lease negotiations, but determining whether the proposed business will be a successful venture would mean hiring outside consultants -- which is expensive and time consuming. The Thomas Bond and Kennedy-Supplee projects are examples of this problem in which a successful rehabilitation could not guarantee a successful business venture. A well designed rehabilitation project may help promote a use in terms of ambiance and suitability, but a business must be viable exclusive of the rehabilitated structure. This is one of the main drawbacks of the NPS leasing program. Although there are strict preservation standards and controls for determining the appropriateness of proposed uses, there is no way to completely guarantee that a proposed business will be successful.

Although leasing provides the historic property owner

with a permanent interest in the property, it does not remedy the problems of stewardship in perpetuity. A lessee may meet all the standards set forth by the lessor, but may not follow through with required restoration, rehabilitation, or preservation maintenance. Given this scenario, the lessor may discontinue the lease with the burden of stewardship once again causing financial drain. To protect against such a situation, the lessor needs to research the marketability of the property, review lessees with preservation goals as the primary concern, and not fall short of predetermined standards. Even though drawbacks exist, both the NPS and PHMC lease programs provide good models for alternatives to historic property stewardship. As outlined in the case studies, each determines the significance of the property, standards for preserving the structure or site, and guidelines concerning the use or new management scheme.

In comparison to leasing, deaccessioning through sale or auction provides a permanent solution to the burdens of property stewardship. The owner may use easements and restrictive covenants in the same manner a lessor uses lease negotiations to protect significant historical or architectural features. If the owner is a non-profit organization similar in size and resource base to the Chester County or Germantown Historical Societies, leasing may not provide enough capital or freedom from the burdens of property stewardship. In such situations, deaccession is a viable

alternative that can be used to meet preservation goals and financial needs.

In the Germantown case, deaccessioning to private developers allowed the historical society to meet preservation goals while improving programs and facilities. Similar to the PHMC program, which invited outside professional preservationists to aid in the lease process, the Germantown Historical Society requested the Philadelphia Historic Preservation Corporation to conduct an easement program for its deaccession program. This tactic of using an objective outside preservation organization is highly recommended if one wants to avoid the problems experienced by the Chester County Historical Society. Although the CCHS used highly qualified consultants to determine the appropriate means of selecting properties for deaccession, the society relied on its own board and staff to conduct the process. Had they invited the PHMC or PHPC to aid in setting up their program and informing the public, they may have avoided an expensive and time consuming lawsuit.

As deaccession becomes more of an accepted mode of promoting historic preservation, the need to legitimize the deaccession process will no longer exist. However, the issue remains controversial and groups such as the CCHS should seek out organizations such as PHPC or PHMC to help lend validity to historic property deaccessioning. When deaccession policies are implemented, the issues of donor trust and public

accessibility need to be carefully addressed. According to The International Journal of Museum Management and Curatorship, "lurking behind deaccession decisions are always legal considerations. . . these can range from the simple, such as those involving straightforward proof of ownership, to more complicated problems involving intertwined interests of donors, or museum obligations."[2] In order to avoid these problems, historical organizations are developing policies in which donor restrictions are considered inappropriate for the acquisition and management of collections and historic properties. For example, the PHMC is currently rewriting its policies to avoid conflicts between donor wishes and museum needs in the future. The CCHS also considers donor restrictions a problem -- they had accepted property with donor restrictions in the past and the society was put into an awkward situation when it chose to use deaccession as a preservation strategy. Now that national, state, and local agencies and organizations are beginning to address property management beyond acquisition, deaccession is likely to become a standard tool for non-profit organizations who want to forward preservation but are unable to be property stewards.

As noted in the introduction, the focus of this study is to determine a set of standards and guidelines for this deaccession process. Throughout the case studies certain points were addressed concerning the pros and cons of various leasing or deaccession procedures. The following guidelines

combine information derived from the cases studied and the acquisition and deaccession policy of the New York State Historical Association. The museum standards were originally designed by Daniel R. Porter who drafted an acquisition and deaccession policy for the board of the New York State Historical Association in Cooperstown, New York.

Chartered Purpose

The non-profit needs to start the process of instituting a deaccession policy with a chartered purpose. This should define the long-term goals and mission of the organization and they way in which it is committed to historic preservation.

Collecting Objectives

The organization should define its purpose and the collections and properties that meet the stated mission. This includes library facilities, manuscripts, museum exhibits, and other activities or collections determined as significant to the theme or purpose of the organization.

Acquisition Policy

Acquisition may defined as the discovery, preliminary evaluation, negotiation for, taking custody of, documenting title to, and acknowledging receipt of materials, objects, and historic property or negotiating for and recording information about borrowed objects or leased property.

Acquisition Criteria

The property must meet all the following tests of acquisition before being acquired by the organization by any means.

1. The present owner must have clear title.
2. If for sale, the staff must arrange funding before purchase.
3. A fair market value must be determined between the parties.
4. The organization must be able to care properly for the proposed acquisition.
5. The significance of the property must be determined.

6. All moral, legal, and ethical implications of the acquisition must have been considered.

7. If possible, no acquisitions will be encumbered by less than full property rights.

8. Acquisition must be free from donor restrictions.

9. Whether acquisitions are offered for accessioning or for developmental purposes of the organization must be determined in advance.

10. The acquisition must conform to the organization's collecting objectives.

These acquisition standards aid in the review of historic properties which the property steward wants to deaccession. Once the significance of the property and its relation to the objective of the organization are determined, the owner may then address the issue of protection and appropriate preservation strategies.

Deaccession Policy:

Deaccession is the process of removing permanently from collections accessioned library material, museum objects, and historic properties. The deaccession process shall be cautious, deliberate, and scrupulous.

Deaccession Criteria

1. The material, object, or historic property is outside the scope of the chartered purpose of the organization and its acquisition policy.

2. The property is irrelevant to the purposes of the organization.

3. The property lacks physical integrity in which historical or significant architectural fabric does not exist.

4. The organization is no longer able to protect or preserve the property properly.

5. The property has doubtful potential in the foreseeable future. And private interests would best preserve and protect the property.

Methods of Approach

After determining the specific goals and standards for acquisition and deaccession, the owner should consider the relationship of the historic site or structure to community concerns, address leasing or other forms of stewardship, and if deaccession is appropriate present the policy in an open and positive manner to the public. The owner most likely will need to address:

1. Community interest and attitudes concerning historic properties. If the properties include house museums, public access is a possible issue. If so, the owner may need to use a valid preservation organization to aid in public relation and program planning.

2. If historical significance is historic association, then outside objective preservation professionals should be part of the processes of selection and policy implementation.

3. If a property is best protected through adaptive use, the owner will need to determine the standards for preservation. If a proposed use involves a business, consultants may be necessary to insure the proposed use and/or management scheme is viable.

4. If the properties are selected for deaccessioning using the suggested standards, the owner may also need to validate the selection. This can be done by inviting either federal, state, or local preservation officials or organizations to review the policy and implementation process. This in turn will also help with public relations and issues of donor trust.

These guidelines are an essential component to the "privatization of preservation" in which non-profit organizations and public agencies join with the private sector as a means of protecting historic property. As a result of diminishing public funds and budgetary problems, the preservation movement is at a crossroads: The public needs to become involved with the protection of its cultural heritage

-- the non-profit organizations committed to historic preservation can no longer be expected to carry the burden alone. New strategies and options need to be explored by preservationists. Deaccessioning historic property continues to raise controversy, but as these cases studies illustrate, it is an option that can promote preservation and relieve the burden of historic property stewardship for those non-profit organization and public agencies that can no longer take care of cultural resources.

1. Larry Tise, "Coping 'With the Great Declension'", History News, (July 1983) p. 15.

2. Steven Miller, "Selling Items From Museum Collections", The International Journal of Museum Management and Curatorship, (1985), 4, 289-294.

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